



1407 W. North Temple, Suite 310 Salt Lake City, UT 84116





HAND DELIVERED

August 26, 2010

Daron Haddock **Environmental Manager** Division of Oil, Gas & Mining **Utah Department of Natural Resources** 1594 West North Temple - Suite 1210 P.O. Box 145801 Salt Lake City, Utah 84114-145801

RE: Certificates of Liability Insurance, Policy No. Des-Bee-Dove Mine C/015/0017, Deer Creek Mine C/015/0018, Cottonwood Mine C/015/0019, Trail Mountain Mine C/015/0009 Policy Period from 8-28-2010 to 8-28-2011; Folder #2, Emery County, Utah

Dear Daron:

Enclosed are replacement liability insurance certificates for the referenced coal mine operations for the policy period of 8-28-2010 to 8-28-2011. Should you have any questions or need any additional information, please feel free to contact me at 801-220-4612.

Sincerely,

Scott M. Child

Manager, Lands & Regulatory Affairs

Enclosures

SMC\EnergyWest\DOGM 2009-03(certs).doc

cc:

C. Crane – IMC w/copy encl.

E. Snow, K. Fleck, D. Oakley - EWMC w/copy encl.

M. Reed - NTO 330 w/copy encl.

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DIV. OF OIL, GAS & MINING

ASSOCIATED ELECTRIC & GAS INSURANCE SERVICES LIMITED

Hamilton, Bermuda

CERTIFICATE OF INSURANCE

(Excess Liability)

This Certificate is furnished to the Certificate Holder named below as a matter of information only. Neither this Certificate nor the issuance hereof modifies the policy of insurance identified below (the "Policy") in any manner. The Policy terms are solely as stated in the Policy or in any endorsement thereto. Any amendment, change or extension of the Policy can only be effected by a specific endorsement issued by the Company and attached to the Policy.

The undersigned hereby certifies that the Policy has been issued by Associated Electric & Gas Insurance Services Limited (the "Company") to the Named Insured identified below for the coverage described and for the policy period specified.

Notwithstanding any requirements, terms or conditions of any contract or other document with respect to which this Certificate may be issued or to which it may pertain, the insurance afforded by the Policy is subject to all of the terms of the Policy.

NAME OF INSURED:

PacifiCorp dba Pacific Power, Rocky Mountain Power and PacifiCorp Energy

PRINCIPAL ADDRESS:

825 NE Multnomah, #400, Portland, Oregon 97232

POLICY NUMBER:

POLICY From: August 28, 2010

PERIOD: To:

August 28, 2011

DESCRIPTION OF COVERAGE:

Excess Liability Policy covering claims for Bodily Injury, Property Damage and

Personal Injury arising from the operations described below.

LIMIT OF LIABILITY: \$ 20,000,000 per occurrence and in the aggregate, where applicable.

ADDITIONAL

The Certificate Holder is an additional Insured under the Policy but only:

INSURED:

(i) to such extent and for such Limits of Liability (subject always to the terms and Limits of Liability of the Policy) as the Named Insured has agreed to provide insurance for the Certificate Holder under

the following contract:

Cottonwood/Wilberg: C/015/0019

and (ii) with respect to the following operations:

Damage due to the use of explosives and subsidence is covered. Insurance Company will

notify State of Utah of any changes or cancellation.

Should the Policy be cancelled, assigned or changed in a manner that is materially adverse to the Insured(s) under the Policy, the undersigned will endeavor to give 45 days advance written notice thereof to the Certificate Holder, but failure to give such notice will impose no obligation or liability of any kind upon the Company, the undersigned or any agent or representative of either.

DATE: August 10, 2010

ISSUED TO: The State of Utah, Dept. of Natural Resources

("Certificate Holder")

Division of Oil, Gas & Mining

ADDRESS: 1594 West North Temple, Suite 1210, Salt Lake City, UT 84114-5801

Certified Original Copy

Signed by Dave McCue, Agent of Record

AEGIS INSURANCE SERVICES, INC.

BY:

At East Rutherford, New Jersey

Permit Number: C/015/0019

CERTIFICATE OF LIABILITY INSURANCE issued to: State of Utah Department of Natural Resources Division of Oil, Gas, and Mining

THIS IS TO CERTIFY THAT:

Associated Electric & Gas Insurance Services Limited
(Name of Insurance Company)

ARGUS Insurance Building, 12 Wesley St. P.O. Box BM 1064, Hamilton, Bermuda (Home Office Address of Insurance Company)

HAS ISSUED TO:

PacifiCorp (Successor in interest to Utah Power & Light)
(Name of Permittee)

COTTONWOODWILBERG (Mine Name)

C/015/0019 (Permit Number)

CERTIFICATE OF INSURANCE:

(Policy Number)

8/28/2010-- 8/28/2011 (Effective Date)

UNDER THE FOLLOWING TERMS AND CONDITIONS:

Per R645-301-890 Terms and Conditions for Liability Insurance:

- A. The DIVISION Shall require the PERMITTEE to submit as part of its permit application a certificate issued by an insurance company authorized to do business in the State of Utah certifying that the applicant has a public liability insurance policy in force for the surface coal mining and reclamation operations for which the permit is sought. Such policy shall provide for personal injury and property damage protection in an amount adequate to compensate any person's injury or property damage as a result of the surface coal mining and reclamation operations, including the use of explosives and who are entitled to compensation under the applicable provisions of state law. Minimum insurance coverage for bodily injury and property damage shall be \$300,000 for each occurrence and \$500,000 aggregate.
- B. The policy shall be maintained in full force during the life of the permit or any renewal thereof, including the liability period necessary to complete all reclamation operations under this chapter.

C. The policy shall include a rider requiring that the insurer notify the Division whenever substantive changes are made in the policy including any termination or failure to renew.

IN ACCORDANCE WITH THE ABOVE TERMS AND CONDITIONS, and the Utah Code Annotated 40-10-1 et seq., the Insurance Company hereby attests to the fact that coverage for said Permit Application is in accordance with the requirements of the State of Utah and agrees to notify the Division of Oil, Gas, and Mining in writing of any substantive changes, including cancellation, failure to renew, or other material change. No change shall be effective until at least thirty (30) days after such notice is received by the Division. Any change unauthorized by the Division is considered breach of the RECLAMATION AGREEMENT and the Division may pursue remedies thereunder.

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Mel Butts (Agent's Name)

201-508-2779 (Phone)

AEGIS Insurance Services (Company Agent's Name)

1 Meadowlands Plaza (Mailing Address) East Rutherford, NJ 07073 (City, State, Zip Code)

The undersigned affirms that the above information is true and complete to the best of his/her knowledge and belief, and that he or she is an authorized representative of the above-named insurance company. (An Affidavit of Qualification must be completed and attached to this form for each authorized agent of officer).

(Date, Signature and Title of Authorized Agent of Insurance Company)

Signed and sworn before me by

ay of August, 20

Signature

My commission Expires:

(Date)

Commission Number 722792
My Commission Expires
June 6, 2012

| ACORD |
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| CERTIFICATE OF LIABILITY INSURANCE | | | | | | DATE(MM/DD/YYYY) 08/12/2010 | | |
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| (000) 700 | G-(515) 267-9045 | INSURERS AFFORDING COVERAGE | | | | | | |
| INSURED | INSURERA ASSOC Electric & Gas Ins Serv Ltd -AEGIS | | | | | | | |
| PacifiCorp db Pacific Power, Rocky Mount: | INSURER A ASSOC Electric & Gas Ins Serv Ltd -AEGIS 001 INSURER B | | | | | | | |
| and Pacificorp Energy | INSURER C | | | | | | | |
| 825 NE Multnomah, #400 Portland OR 97232 USA | INSURER D | | | | | | | |
| | INSURER E: | | | | | | | |
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| H | | | | PROPERTY DAMAGE (Per accident) | | | | |
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| EMPLOYERS' LIABILITY Y/N | | | | EL EACH ACCIDENT | ER | | | |
| ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) | | 200 | | E L. DISEASE-FA EMPLO | YEE | | | |
| If yes, describe under SPECIAL PROVISIONS below | | | | E L DISEASE-POLICY LI | TIM | | | |
| OTHER | | | | | | | | |
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